# PRIME MINISTER

## MAIN EVENTS

Prime Minister meets New Zealand Prime Minister, Mr Lange; later hosts dinner for Bill Deedes.

EC Social Affairs Council, Luxembourg

Institute of Health Service Management annual conference, Buxton (to

Educational Institute of Scotland annual general meeting, Oban (to June 7)

Cricket: England v India, Lords (to June 10)

#### STATISTICS

CSO: Balance of payments current account (1st qtr)

DOE: House renovations (1st qtr)

Housing starts and completions (April) DOE:

DTI: Industry's investment intentions (1986/87)

#### **PUBLICATIONS**

DEM: Employment Gazette (June)

HO: Report of the Charity Commissioners for England and Wales 1985

(15.30)

## PAY

University clerical consortium; (18,000); settlement date 1.6.86

### PARLIAMENT

#### Commons

Questions: Northern Ireland; Agriculture, Fisheries and Food; Prime Minister

Business: Second Reading of the Channel Tunnel Bill followed by a

motion for Committal to a Select Committee

Lords Drainage Rates (Disabled Persons) Bill: Third Reading

Gas Bill: Committee (6th Day)

Education (Assisted Places) Regulations. Motion for Approval

Health Service Joint Consultative Committees (Access to

Information) Bill: Second Reading

Ministers' Visits/Radio and TV: See Annex.

# PRESS DIGEST

YOUR SPEECH gets lots of coverage.

D/Star: p8: You signal more tax cuts, but there will be more Government spending as the brakes come off in run up to Election. No doubt a vintage Maggie is completely in charge.

Sun: p2: Pennies from heaven, Mrs T. Your vow to give voters a little bit of heaven with tax cuts and increased spending.

Mirror: Ignores it.

Today: p6: Thatcher blasts Labour humbug, warning of "Thraldom of State domination". You have no intention of changing your stance on tax cuts but you hold and hope that it might just be possible to cut them and boost public spending.

Express: p1: I will cut tax pledges Maggie - an essential part of your vision of a caring Britain; leader on the attractions of going to the country having cut basic rate of tax from 33 to 25p. The Covernment would be foolish not to earn itself that right.

Mail: p2 - My blue heaven; Maggie's vision of Tory Britain. Prime Minister says tax cutting will go on.

Telegraph:p1 lead: Thatcher's vision for Britain. Four challenges for a good society.

Guardian: P1 - Thatcher presents vision of heavenly tax cuts; in lyrical mood.

Times: P1 - Family life key to Tory policy, says Thatcher. It was an an upbeat speech, much in tune with the anti-permissiveness drive already launched by several senior Ministers.

Prime Minister emphasis commitment to further tax cuts.
You mounted a fresh and fierce assault on critics who have called on the Government to abandon its plans for further tax cuts. It was a direct rebuff to those - including some members of the Cabinet - who want higher public spending.
You were characteristically defiant.

#### NHS - VICTOR PAIGE

Mixed views on Victor Paige's resignation.

Norman Fowler denies he was forced to go; Labour demands he resigns.

D/Star: says red tape brigade has triumphed again. The Bureaucrats whose jobs were threatened fought back and put personal convenience before public duty.

Sun: leader says Mr Fowler knows a million reasons why things cannot be done and behind him are Civil Servants incapable of moving quickly or willingingly short of finding a nuclear device in their in-trays. Poor Mr Paige, he never had a change.

Guardian: reports a second blow to DHSS - Ken Stowe's illness.

Mirror: leader on 'sick way to run NHS' says the NHS chaos goes right to the top as the resignation shows. Ill health

Guardian: leader says that NHS cannot be treated like a business or a nationalised industry. Politics dictate any Govt will stay close to management of NHS

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Telegraph: Says this is better viewed as a conflict between Civil Service & Mr Paigon who has final say. His successor must be given freedom to manage. It

a £19bn business and must be run like one.
Business as usual in NHS yesterday after shock resignation.
Mr Fowler says "these things happen"; feature explains why businessmen and mandarins don't mix. One key reason is that businessmen have no nose for politics.

Express: Norman Fowler dismisses reports Mr Paige resigned over spending. Feature says winning the argument against skilled propagandists was seen as much as Paige's job as running the Service. To the Fowler camp he failed more as a front man than as a administrator. But in the end it was Whitehall who beat Mr Paige. (continued on page 4)

### HIPPIES

- Forestry Commission to seek recovery through courts, of New Forest land today.
- DHSS expecting to pay out £10,000 this week.
- Frank Chapple, in Mail, wants to know why there is one law for them and another for us.
- Telegraph leader says when Ministers have disposed of trespass they should have a long think about how far the Welfare State should indulge allcomers.

# LAW AND ORDER

- <u>Sun</u>, on Home Office "losing" 54 Libyans, refers to 5,560 Libyans allowed into Britain since WPC Fletcher was murdered. Should we be relieved that maybe only 1 in 100 is a potential tool of Mad Dog Gaddafi?
- Nearly 850 prisoners released last year on parole are back inside; more than one third for committing further crimes.
- Britain sending 2 drugs intelligence officers to India to crack down on heroin.
- Detectives hunting at least 3 men over Murdoch's warehouse fire; Telegraph says there is conclusive evidence of arson.

#### **ECONOMY**

- Lord Young tells Lords he expects to see a fall in unemployment in six months.
- Sun says this conflicts with MSC.

# NHS (cont'd)

- Times: Health authority officials claim that attempts are being made to stop them commenting on Mr Paige's resignation. DHSS has sent telexes and made telephone calls to all authorities in an effort to "gag" them: leader says Paige's departure is a matter for regret but not for lamentation.
- <u>Mail</u>: Fowler silent on why NHS chief quit; leader says Mr Paig sounds like a surgeon who quits because he is aghast at the sight of blood. What did he expect? He should be cajoled to reveal all if only for the sake of the £70,000 a year sucker they may try to line up in his place.

## INDUSTRY

- Labour Party will phase out nuclear power; Paul Foot in Mirror claims that a Leeds coal-fired power station was built with a major design fault which threatens its stability even in light winds.
- Law Lords urge Government to pay judges more to prevent us ending up with second raters.
- Taxmen admit golden handshake blunder.
- Comprehensive review of monopolies and mergers policy to be announced today.
- CBI leader says too many TV journalists are inadequately briefed in major industrial issues.
- <u>FT</u>: The European Commission has won a long battle with the British Government to gain full access to civil nuclear reprocessing facilities at Sellafield.
- $\frac{\text{FT}}{\text{FT}}$ : Paul Channon says the three Cornish mines for which RTZ is seeking Government aid are potentially more viable than the Geevor mines.
- <u>FT</u>: Order books of the world's major shipbuilders continued their long decline in the first quarter of this year. Tonnage was down to 24.3m at the end of March compared with 29.5m at the same time in 1985.

#### UNIONS

- members
- Jim Slater, NUS General Secretary,/get rid of him, defy Left's plan to help him in his job until he retires he is 62 and order an election which he is too old to fight.
- NGA urges its members to reject Murdoch's £50m-plus pay off.
- TGWU choose moderate, instead of Lefties as preferred by Ron Todd, to sit on TUC.
- Today leader on the brave new world of the unions says what sets new generation of leader apart from their predecessors is their sense that the unions exist to serve their members.
- <u>FT</u>: Leaders of the Prison Officers' Association agreed yesterday to recommend an end to the dispute over staffing levels in a membership ballot to be held later this month.

# TRANSPORT

- Which? concludes BRail is some way off achieving the aims it ambitiously sets for itself with too many trains arriving late and commuters fed up with lack of seats; it blames secret deals between European Governments for sky-high air fares.
- Express says Euro air fares are a scandal. European flying is still caught in a cat's cradle of Government inspired regulation.
- FT: Boeing is to develop a new 737 to compete with the Airbus.

# LOCAL GOVERNMENT

- Nicholas Ridley promises to protect Green Belt.

## PEOPLE

- Mark Thatcher moves from his flat in Dallas after trouble with landlords over security.
- Express claims Nacy Reagan has accepted an invitation to Royal Wedding andpraises her for doing so without hesitation.

EDUCATION - Rhodes Boyson says parents should have the legal right to withdraw children from explicit sex classes - should have final say as w religio

- Mail leader on a telling off for five masked culprits, and fine of £200 on students' union, after rag stunt puts woman lecturer off work for 11 weeks typical, it suggests, of the supine disinclination of college authorities to impose proper discipline.
- Frank Chapple in <u>Mail</u> says Jewish students up and down the country are being <u>SPORT</u> abused and intimidated by Marxist Leninist storm troopers the new Nazis
- Riot in Mexico City as drunken Mexican World Cup fans clash with police: 200 arrested, 187 injured; Scottish policeman a local hero for rescuing people from riot.
- Sport Aid raises £5m so far.

### POLITICS

- <u>Sun</u> says Greater London Labour Party may ban candidates from using pictures of themselves and their families because it is "unfair" to gays and lesbians; leader says that alongside the fantasy kingdom of today's Socialists, Alice's Wonderland was sane and humdrum. <u>Mail</u> says whatever political secrets they want to hide Glenys Kinnock will not be among them.
- Express says after 5 years open warfare Benn has told his supporters to stop attacking Kinnock; believes there is now hope of electing Left-wing Government.

# NORTHERN IRELAND

- RUC denies shelving "shoot to kill" report by Deputy Chief Constable of Greater Manchester who is suspended. Mail says he has been accused of accepting hospitality from a known criminal.
- Senator Lugar tables amendments to try to secure satisfactory US extradition treaty.
- <u>Times</u>: Leader says there is room for extending facilities for scrutiny of legislation affecting Northern Ireland providing it does not allow full-scale Parliamentary wrecking tactics against the Hillsborough agreement.

## EAST WEST

- Soviet official says Reagan's SALT II stance could jeopardise Summit.

# SOUTH AFRICA

- Newspapers suggest that you have written to Mr Botha warning of the growing international pressure for further sanctions should the Commonwealth initiative fail; leader says that Britain has reached a watershed in its relations with South Africa.

#### MINISTERS (UK VISITS, SPEECHES ETC)

- DEM: Lord Young records programme on 'Enterprise' for radio
- DHSS: Mr Fowler attends Conference for World Organisation of National Colleges, Science Museum, London
- MAFF: Mr Gummer attends Royal National Mission for Deep Sea Fishermen lunch; later takes part in Tyne Tees Television's 'Farming Outlook Discussion'
- MAFF: Mrs Fenner visits experimental husbandry farm, Gleadthorpe
- DEM: Mr Lang addresses Joint Industrial Society pre-retirement association conference, London
- DEM: Mr Trippier visits Simons Construction Group, Lincoln; visits
  Lincoln Enterprise Agency Innovation Centre; later makes speech to
  Rossendale Enterprise Trust
- DEN: Mr Goodland visits Berkely nuclear laboratories, Gloucestershire
- DHSS: Mr Whitney visits Hammersmith and Queen Charlotte's Special Health Authority
- HO: Mr Waddington visits Equal Opportunities Commission, Manchester
- DTI: Mr Butcher addresses British Design Challenge; later launches UNI bank, London
- DTp: Mr Bottomley opens Bromsgrove section of M42
- WO: Mr Roberts addresses conference of the Institute of Civil Engineers, Abergavenny

# MINISTERS (OVERSEAS VISITS)

DEM: Mr Clarke attends Labour and Social Affairs Council, Luxembourg

DTI: Lord Lucas attends trade promotion, Portugal (to June 8)

#### TV AND RADIO

- "Just for Starters"; BBC Radio 4 (19.40): starting up a business. Includes a 'phone—in to Lord Young
- "Worldwise Reports"; Channel 4 (20.00); pressure on the green belt
- "The Falls Road"; BBC 2 (20.10): how the nightmare of this part of Belfast is slowly giving way to normality
- "TV Eye"; ITV (21.30)
- "Question Time"; BBC 1 (23.00); with Margaret Clay; Michael Foot MP; Peter Jenkins and Peter Walker MP